



FAIR POLITICAL PRACTICES COMMISSION

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January 19, 2011

Cary Davidson, Treasurer

Yes On A, Canyon City Alliance, a Coalition Including Vulcan Materials Company, the Azusa Chamber Of Commerce and the Azusa Police Officers' Association
c/o Reed & Davidson

REDACTED

Advisory Letter Re: FPPC Case No. 10/1086; Yes On A, Canyon City Alliance, a Coalition Including Vulcan Materials Company, the Azusa Chamber Of Commerce and the Azusa Police Officers' Association and Cary Davidson, Treasurer

Dear Mr. Davidson:

The Fair Political Practices Commission (FPPC) enforces the provisions of the Political Reform Act (the "Act").¹ In response to a complaint we received against you and your committee, Yes on A, Canyon City Alliance, a Coalition Including Vulcan Materials Company, the Azusa Chamber Of Commerce and the Azusa Police Officers' Association (hereafter "Yes on A"), alleging that you and Yes on A have violated the committee identification provisions of the Act, on December 28, 2010, we sent a letter to you requiring explanations. To this letter, you made a prompt response by the deadline given in the letter.

In our letter to you responding to the allegation, we identified several potential issues that may be violations of the Act. The first regarded whether or not Yes on A was a sponsored committee. As stated in our revised letter to you, we have since received the amended statement of organization filed on December 6, 2010, by Yes on A to declare that it is a sponsored committee, sponsored by not only Vulcan Materials but also by the Azusa Chamber of Commerce and the Azusa Police Officers' Association.

The second issue alleged in the complaint and addressed in our letter to you regarded the requirement that any committee supporting or opposing a ballot measure must name and identify

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

itself using a name or phrase that clearly identifies the economic interest of its major donors of \$50,000 or more that is likely to be affected by the ballot measure. (GC § 84504, Reg. 18450.3, subd. (a)(1).) In your letter in response to our letter, you state that "[a]s to the economic interest, we believe that is satisfied by 'materials company,' which is part of the name of the sponsor. That is the best identification of the interest. It is clear and explains what is likely to be affected by the ballot measure." We accept this explanation.

The third issue alleged in the complaint and addressed in our letter was that a committee primarily formed to support a measure must also identify, in any advertisement paid for by the committee, the name of the top two contributors to the committee whose cumulative contributions to the committee are \$50,000 or more. (GC § 84503.) This disclosure must explicitly indicate that the contributor is a top donor to the committee by stating, for example, "major funding by" or "paid for by" the contributor. (Regulation 18450.4, subd. (b)(1).) Although Vulcan Materials has contributed more than \$50,000 to Yes on A, the advertisements paid for by Yes on A do not appear to contain this language.

Your letter states in response to this issue:

Vulcan Materials Company has been identified in all advertisements paid for by the committee since its cumulative contributions reached \$50,000. Regulation 18450.4(b)(i) says that the committee donors must be identified by the use of "major funding by" or "paid for by". We have chosen "Paid for by", and to the best of our knowledge, each advertisement contains that phrase. We have verified with your Technical Assistance Division that "paid for by" must be part of the disclaimer, but its location in the disclaimer is not specified by the regulation.

(Letter from Mr. Cary Davidson dated December 27, 2010.)

We also accept this explanation. We are closing the case with this advisory letter to alert you of the proposed amendment to Regulation 18450.4, which contains explicit instructions on where in the advertisement to insert the required "paid for by" language. Amended Regulation 18450.4, included with this letter, will be up for possible adoption at the January 28, 2011 FPPC hearing.

If you have questions regarding this matter, please contact Adrienne Korchmaros at (916) 322-8241.

Sincerely,

REDACTED

Gary S. Winuk
Chief of the Enforcement Division

cc: Jeri Vogel, President, Azusans Against Mining Expansion